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## ENVIRONMENTAL PROTECTION AGENCY

[FRL-10001-22-OAR]

### Acid Rain Program: Excess Emissions Penalty Inflation Adjustments

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice of annual adjustment factors.

**SUMMARY:** The Acid Rain Program requires sources that do not meet their annual Acid Rain emissions limitations for sulfur dioxide (SO<sub>2</sub>) or nitrogen oxides (NO<sub>x</sub>) to pay inflation-adjusted excess emissions penalties. This document provides notice of the annual adjustment factors used to calculate excess emissions penalties for compliance years 2019 and 2020.

**FOR FURTHER INFORMATION CONTACT:** Jason Kuhns at (202) 564-3236 or [kuhns.jason@epa.gov](mailto:kuhns.jason@epa.gov).

**SUPPLEMENTARY INFORMATION:** The Acid Rain Program limits SO<sub>2</sub> and NO<sub>x</sub> emissions from fossil fuel-fired electricity generating units. All affected sources must hold allowances sufficient to cover their annual SO<sub>2</sub> mass emissions, and certain coal-fired units must meet annual average NO<sub>x</sub> emission rate limits. Under 40 CFR 77.6, any source that does not meet these requirements must pay an excess emissions penalty without demand to the EPA Administrator. The automatic penalty is computed as the number of excess tons of SO<sub>2</sub> or NO<sub>x</sub> emitted times a per-ton penalty amount of \$2,000 times an annual adjustment factor, which must be published in the **Federal Register**.

The annual adjustment factor used to compute excess emissions penalties for compliance year 2019 is 2.0236, resulting in an automatic penalty amount of \$4,047 per excess ton of SO<sub>2</sub> or

NO<sub>x</sub> emitted in 2019. In accordance with 40 CFR 77.6(b) and 72.2, this annual adjustment factor is determined from values of the Consumer Price Index for All Urban Consumers (CPI-U) for August 1989 and August 2018.

The annual adjustment factor used to compute excess emissions penalties for compliance year 2020 is 2.0591, resulting in an automatic penalty amount of \$4,118 per excess ton of SO<sub>2</sub> or NO<sub>x</sub> emitted in 2020. This annual adjustment factor is determined from values of the CPI-U for August 1989 and August 2019.

Dated: September 25, 2019.

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